



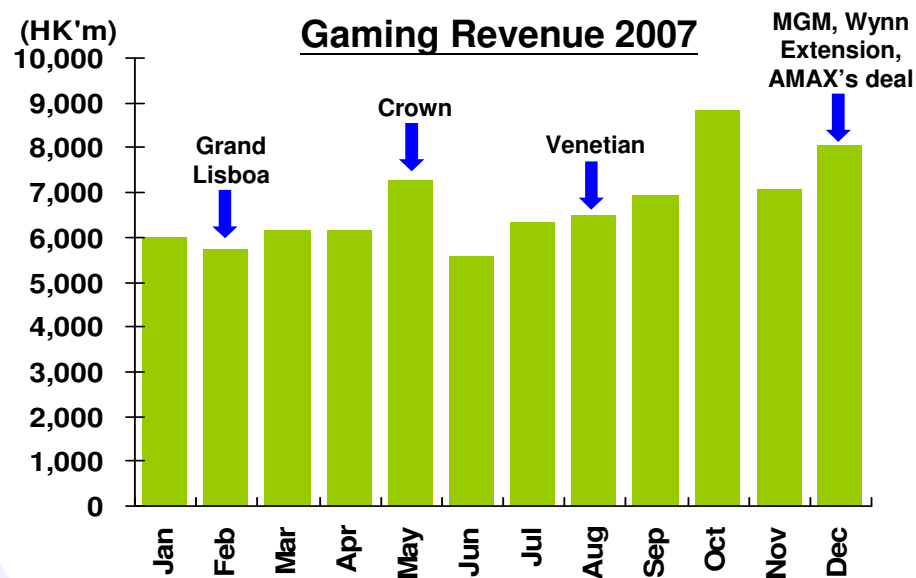
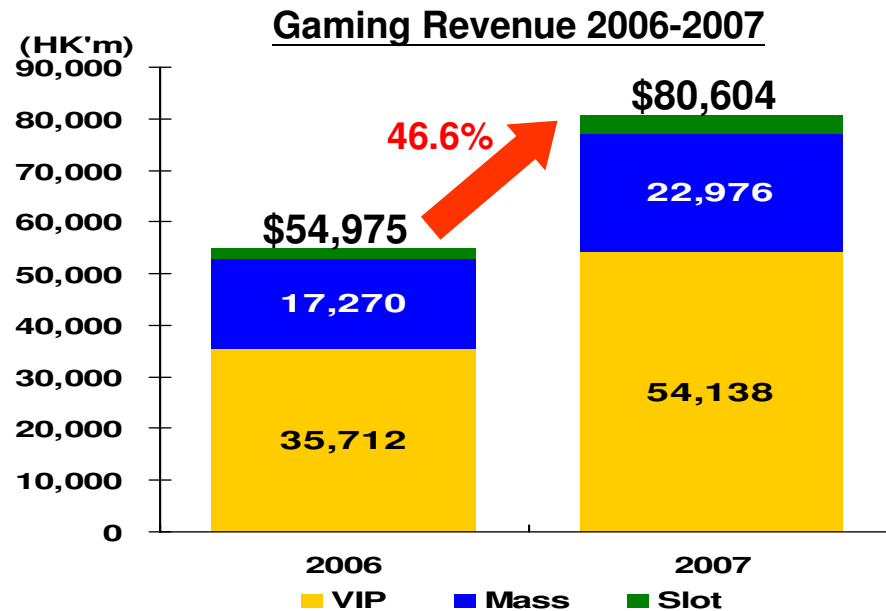
2007 Annual Results

For the year ended 31 December 2007

April 18, 2008

www.galaxyentertainment.com

Market Review – Gaming Revenue



- Macau is world's largest gaming market

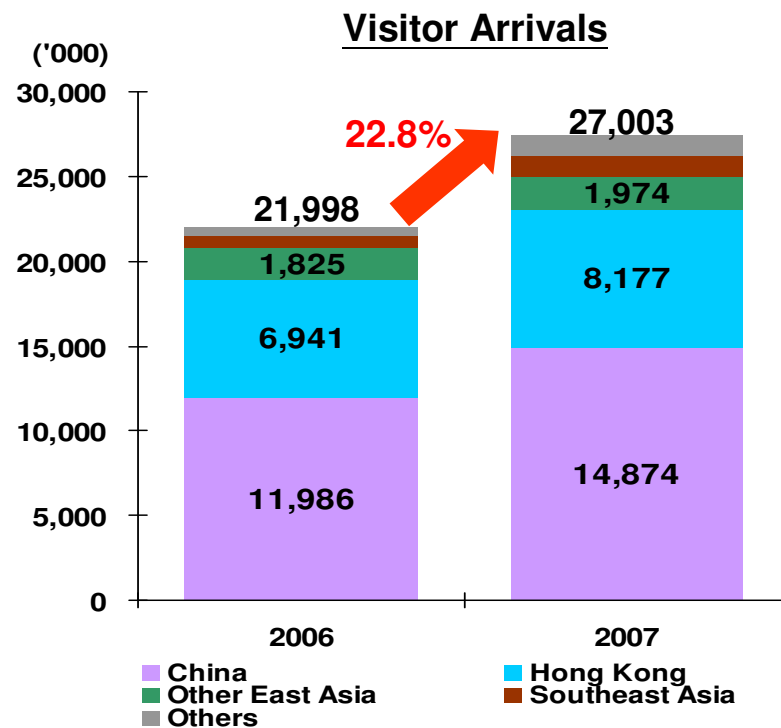
- Strong annual growth in gaming revenue

- VIP ↑ 52%
- Mass ↑ 33%
- Slot Machines ↑ 75%

- New products drive market growth

- After opening of MGM Grand, all companies are in operations → competition increased

Market Review - Visitation



- Annual visitation ↑ 23%
- ➔ Support the gaming revenue growth
- Visitation growth by area
 - China ↑ 24%
 - Hong Kong ↑ 18%
 - Taiwan ↑ 4.5%
 - Japan ↑ 35.9%
 - Korea ↑ 38.6%
 - Southeast Asia ↑ 70.1%

Market Share of Gaming Revenue



Comparing year to year

Date	Total Market Revenue (HK\$m)	Galaxy	
		Market Share	Revenue (HK\$m)
FY2006	HK\$54,974	13%	\$7,271
FY2007	HK\$80,604	18%	\$14,736

Key Accomplishments



Corporate

- HK\$5.2 billion equity injection
 - Substantially improved financial flexibility with much strengthened balance sheet

• Permira

- A resourceful strategic partner that is a proven international investor with deep expertise in the gaming industry



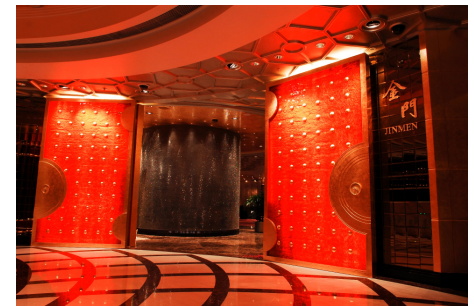
- Announced strategic partnership with Okura Hotels, the number one ranked hotel in Japan

Key Accomplishments



Operations

- Considerable ramp up of StarWorld's VIP gaming capacity
 - VIP table increased from 32 to 69
 - Number of VIP room promoters increased from 7 to 12
- Jinmen – the premium player product launched
- Presidential Suite with private gaming tables – the ultimate gaming experience
- Opened a grand ballroom



Key Accomplishments



Recognitions

- StarWorld Hotel
 - 5-Star Diamond Award by the American Academy of Hospitality Sciences
 - “High-Flyer Award” by the Hong Kong Business Magazine
 - “The TOP 10 City-Nova Hotels of China” at the 3rd Starlight Award of China Hotels



Financial Highlights - Revenue



	FY07 HK\$	FY06 HK\$	Change
Gaming & Entertainment	11,481m	3,389m	239%
Construction Materials	1,554m	1,280m	21%
Total Group Revenue	13,035m	4,669m	179%

Financial Highlights – EBITDA



	FY07 HK\$	FY06 HK\$	Change
Gaming & Entertainment	1,223m	306m	300%
Construction Materials	219m	212m	3%
Corporate Office	18m	(81)m	123%
Total Group EBITDA	1,460m	437m	234%

Financial Highlights – Net Profit



	FY07 HK\$	FY06 HK\$	Change
Net Profit/(Loss)	(502)m	(1,532)m¹	67%
After Accounting for:			
Amortization of Intangible (<i>non-cash</i>)	998m	998m	
Other Depreciation and Amortization (<i>non-cash</i>)	414m	192m	
Finance Cost	557m	522m	
Others	32m	9m	
Non-recurring items ²	39m	248m	
EBITDA – ex non-recurring	1,460m	437m	231%

¹Only one full month of StarWorld in 2006 and EBITDA reflects a lower than theoretical win rate at StarWorld for the month of December at 2%

² 2006: pre-opening costs of 4 casinos; 2007: pre-opening expenses related to the construction of Galaxy Mega Resort like staff costs, training, marketing and branding and launching expenses

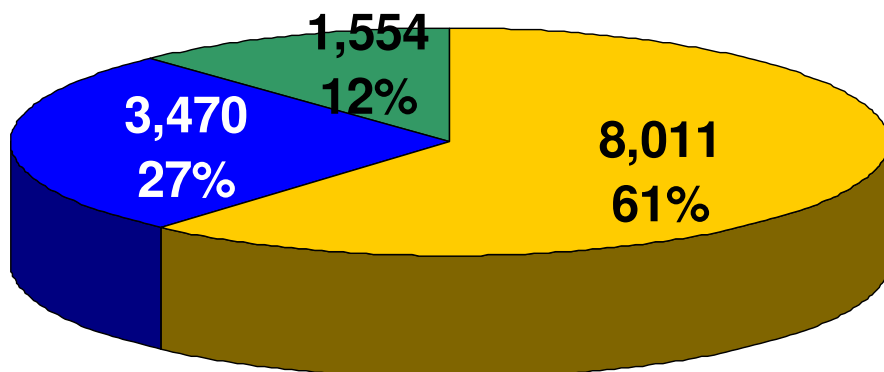
Summary for FY2007



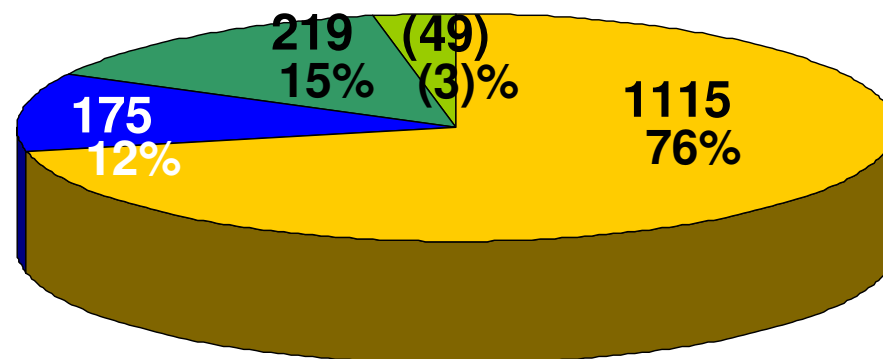
Total Revenue = HK\$13,035 million

Total EBITDA = HK\$1,460 million

Group Revenue (in HK\$m)



Group EBITDA (in HK\$m)

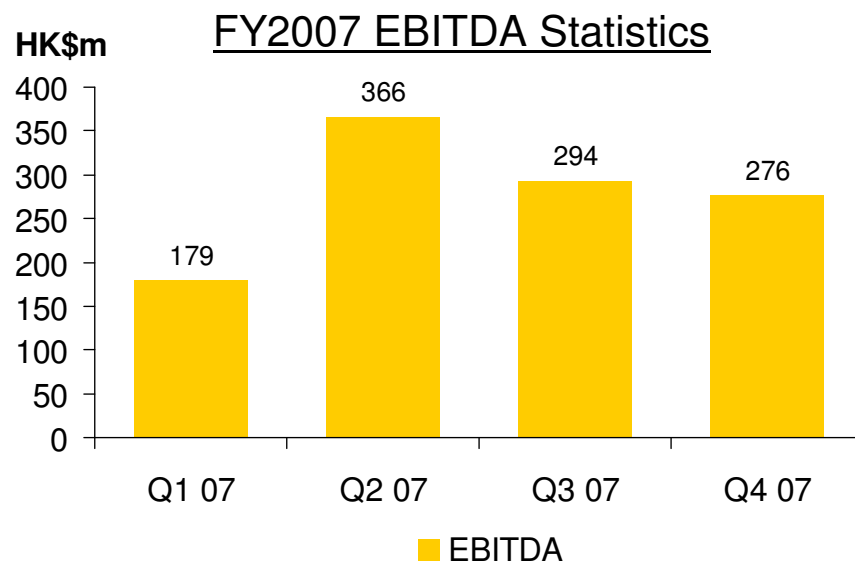
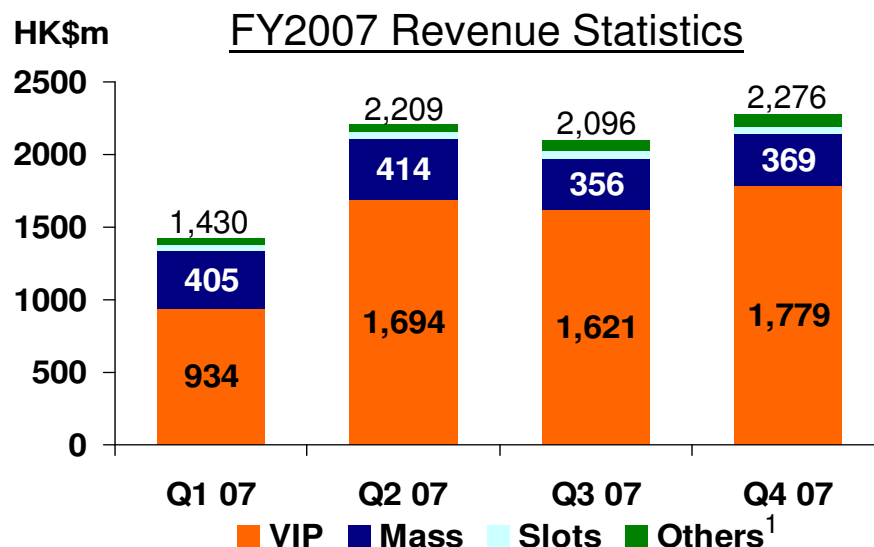


■ StarWorld ■ CityClubs ■ Construction Materials

■ StarWorld ■ CityClubs
■ Construction Materials ■ Net Corporate Cost

- StarWorld delivered solid performance
- StarWorld is a key revenue driver for Galaxy in 2007

StarWorld Overview



- Total revenue HK\$8,011 m
- VIP- 78% of revenue
- 2007 EBITDA
 - HK\$1,115 m
 - Margin 14% (HK GAAP)
 - Margin 23% (US GAAP)
- Note - Q2 EBITDA experienced an above average win rate “good luck factor”
- Annualized ROI 36%

¹ Non-gaming revenue (Room, F&B, tips, etc)

StarWorld Casino



FY2007 VIP Gaming Operating Statistics

Turnover	HK\$ 203,500 m
Gross Gaming Revenue	HK\$ 6,028 m
Avg Win %	3.0%
Win/Table/Day	
Q4 07 avg	HK\$329,000
12 months avg	HK\$331,000

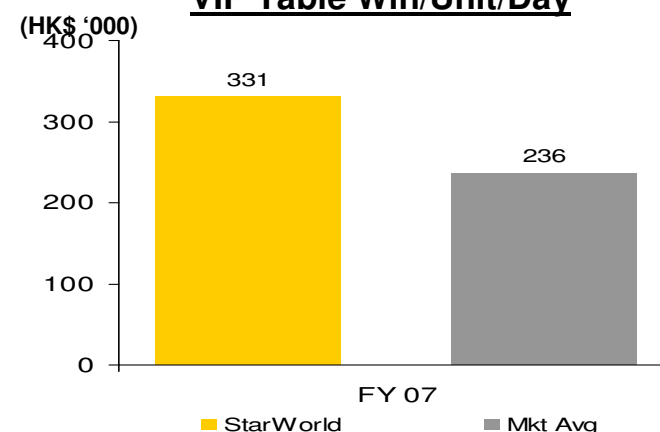
VIP Tables (Q4 07 avg): 59

FY2007 Mass Gaming Operating Statistics

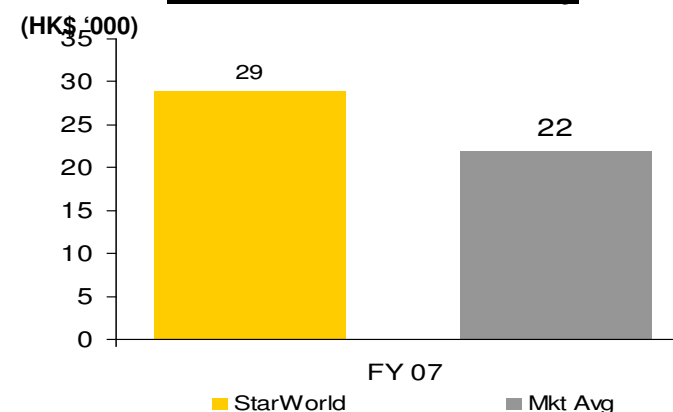
Mass Drop	HK\$ 9,882 m
Mass Gaming Revenue	HK\$ 1,543 m
Avg Hold %	15.6%
Win/Table/Day	
Q4 07 avg	HK\$33,100
12 months avg	HK\$29,500

Mass Tables (Q4 07 avg): 121

VIP Table Win/Unit/Day



Mass Table Win/Unit/Day

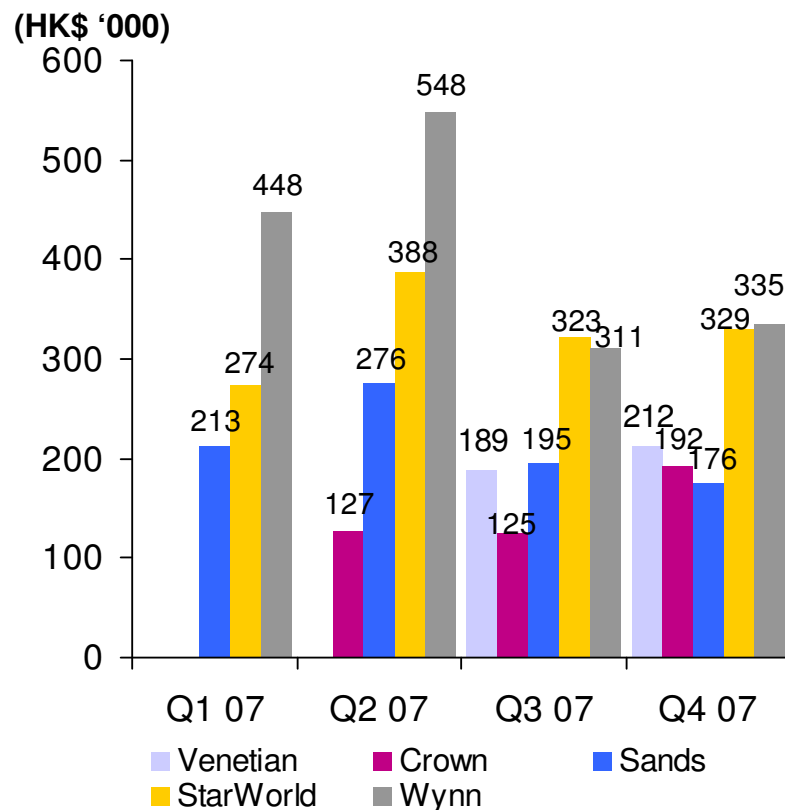


- StarWorld' WTD is substantially higher than market average
- 69 VIP gaming tables at end of 2007

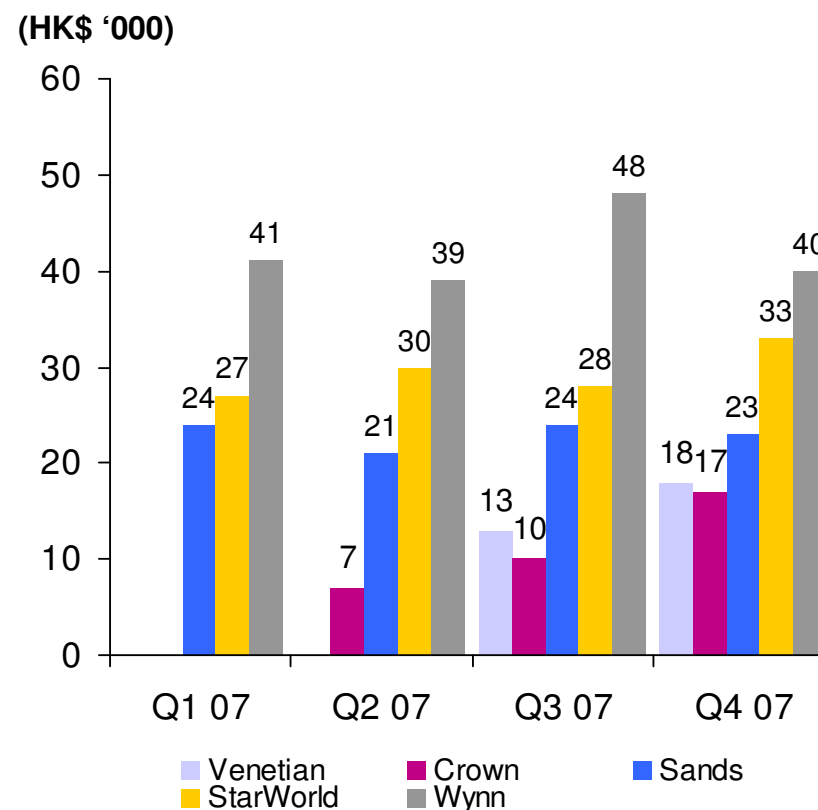
StarWorld – WTD Comparison



VIP

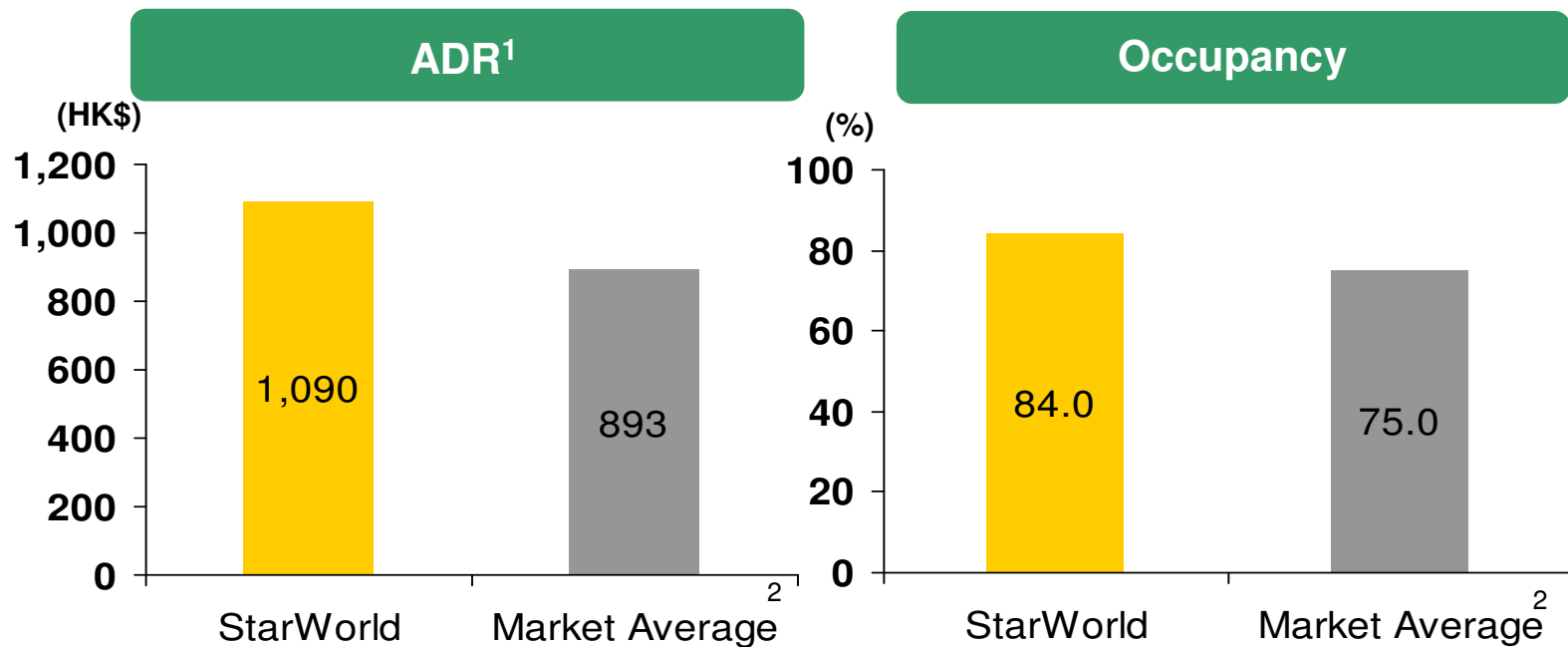


Mass



- StarWorld Win/Table/Day statistics have increased to peers

StarWorld Hotel



- 509 rooms currently open

1. StarWorld's ADR \$1,090 is blended rate including 10% service charge
2. Market average refers to the statistics by Macau Hotel Association on 5-Star hotels for FY2007

CityClubs Performance Overview



- 4 CityClubs: Waldo, Rio, President and Grand Waldo
- Generates an ongoing “management fee” like revenue
- 2007 contribution: HK\$162 million
- Low Risk, Low CAPEX – Initial/ fast track (“capture market share”) strategy



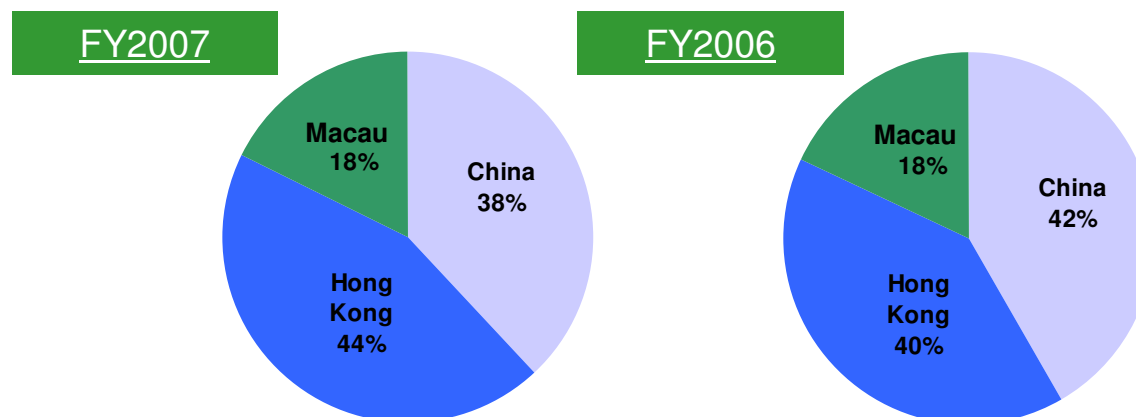
Construction Materials Overview



	FY2007 HK\$	FY2006 HK\$	Change
Revenue	1,554m	1,281m	21%
EBITDA	219m	212m	3%
Net Profit for the period	107m	64m	67%

- Profit margin improve from 5% (FY2006) to 7% (FY2007)
- Adjusted EBITDA excludes non-recurring items

Geographical Revenue Breakdown



Note: on the one time gain \$62 million shares monetization

Outlook for 2008



Market

- Market continues to grow rapidly
- Competition intensifying
- No new additional major opening in 2008

StarWorld

- Continue to refine and drive operational excellence
- In response to market demand, opening a Jumbo sized VIP facility – 100+ VIP gaming tables

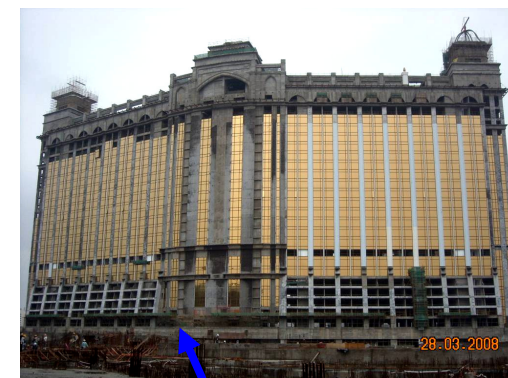
Galaxy mega resort

- Continue our focus on construction of resort
- Deliver the finest, world class resort in Macau

Galaxy mega resort update



- Scope
 - Proceeding with Tower Two
 - Substantially expanded VIP area
 - Full opening of mass gaming floor
 - Add more sophistication to fixtures and fittings
- Timing
 - Plan to open Casino complex & Hotel Tower One in mid-2009
 - Plan to open Hotel Tower Two in late 2009
- Budget
 - HK\$10.5 billion includes all increased scope
 - HK\$2 billion invested to date
- Latest Status



Galaxy mega resort



A Mystical Oasis, THE destination with a thrilling energy and mystical adventure in the form of an all-in-one entertainment, leisure and gaming resort...

Galaxy mega resort



Delivering World-Class with Asian Charisma
Must-Visit, Must-See destination...



Galaxy mega resort



Galaxy Mega Resort

Live The Thrill

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